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C O N F I D E N T I A L SECTION 01 OF 02 TAIPEI 001259

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SUBJECT: YEH CHU-LAN DISCUSSES DPP PRESIDENTIAL CANDIDATE

FRANK HSIEH'S CAMPAIGN

Classified By: AIT Director Stephen M. Young, Reasons: 1.4 (b/d)

- 11. (C) Summary: Former acting Kaohsiung Mayor Yeh Chu-lan told the Director on May 31 that she supports DPP presidential candidate Frank Hsieh because he wants to end partisan confrontation in Taiwan, which is also the hope of the general public. Hsieh had been successful in Kaohsiung in establishing harmonious working relations with the city council, Yeh recalled, despite the DPP's minority status in the council. Yeh believed Hsieh and President Chen will be able to work together because, no longer competitors, they share the same strong interest in getting Hsieh elected. Hsieh clearly understands the redlines in U.S.-Taiwan relations, Yeh suggested, and his personality and pragmatism will make him easier to work with than President Chen. Yeh expressed hope that Hsieh will have high-level meetings during his upcoming visit to Washington. End Summary.
- (C) The Director met with former acting Kaohsiung Mayor Yeh Chu-lan on May 31 to discuss Frank Hsieh's presidential campaign and related political issues. Yeh said she supports Hsieh because Hsieh wants to end the ongoing partisan confrontation in Taiwan. Eight years ago the DPP needed a powerful leader like Chen Shui-bian to oppose the KMT. But after eight years, the public is tired of confrontations such as last year's Red Shirt "Depose President Chen" movement. Now, the public wants political leaders who are reasonable, calm, and conciliatory. When Hsieh was first elected mayor of Kaohsiung in 1998, Yeh recalled, he faced an uncooperative city council in which the DPP was the minority. Over time, however, Hsieh won control of the council by building an alliance with non-DPP members. As a consequence, Yeh said, the Kaohsiung City Council was peaceful and harmonious when she became acting mayor in 2005, and DPP and non-DPP politicians were able to work together focusing on the practical issues of Kaohsiung's development.
- 13. (C) Both Hsieh and DPP Chairman Yu Si-kun had asked for her support during the presidential primary, Yeh noted, explaining that she had served as Yu's vice premier for several months in 2004-2005. The Yu camp had argued that Yeh, who favored Taiwan independence, should not support Hsieh, who, they claimed, favored the "one-China constitution." Yeh had responded that she agreed with

Hsieh's view that the "one-China constitution" needs to be changed, but only when there is general public consensus on the issue. Changing the national name to Taiwan is a long-term dream and ideal, not a short term goal, Yeh explained. In addition, Taiwan needs to consider its relations with the U.S. and Japan in deciding sensitive policies, Yeh stressed.

- 14. (C) Hsieh had expected to lose the May 6 party member ballot, the first part of the presidential primary process, by 20,000 votes, Yeh said, with Hsieh hoping to come back in the planned second stage of the primary, a public opinion poll. Hsieh's unexpected victory in the party member vote reflected the fact that DPP members have grown tired of political confrontation and want a more conciliatory leader. As the ruling party, Yeh stressed, the DPP needs to be confident and inclusive to attract more people.
- 15. (C) Yeh expressed confidence that Hsieh will win the 2008 presidential election. KMT candidate Ma Ying-jeou has been "very stupid," she argued, because he has not done or said things that would attract support, such as fostering a more peaceful atmosphere in the LY. Ma gives the impression that his only goal is to grasp power and that he is not seeking the presidency as an opportunity to do something positive. Because of his focus on power for its own sake, Ma will definitely lose the election, Yeh predicted. By contrast, Yeh said, Hsieh is sincere and touches people's hearts, so they can understand and will trust him.
- 16. (C) Yeh said Hsieh, who is very smart, has already thought about the problem of possible differences with President Chen during the presidential campaign, and that is why Hsieh has not placed any of his own people in the new

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cabinet. It will be difficult for the cabinet to accomplish anything in the current political atmosphere, Yeh explained. By not having any of his own people in the cabinet, Hsieh does not need to endorse or take responsibility for what the cabinet does.

- 17. (C) President Chen will assist Hsieh in the presidential campaign, Yeh maintained, because Chen's most important goal during his final year in office is to get Hsieh elected. Previously both friends and competitors, Chen and Hsieh are now no longer competitors. They need each other, and their relations will progressively improve, Yeh predicted. Furthermore, people will take less interest in Chen and pay increasing attention to Hsieh as the campaign unfolds.
- 18. (C) Taiwan's leaders, including President Chen, will be careful not to do anything to provoke cross-Strait tensions or upset U.S.-Taiwan relations, Yeh stressed. Hsieh, who is pragmatic and has a different type of personality than Chen, understands the redlines in U.S.-Taiwan relations very clearly. Yeh expressed hope that the USG would be willing to have enhanced communication with Hsieh if he is elected president. Hsieh is very trustworthy, Yeh observed, and he would not leak information to the media. Yeh also expressed hope that Hsieh will be able to meet with high-level U.S. officials during his upcoming trip to the U.S.
- 19. (C) Asked about qualities Hsieh would look for in a running mate, Yeh noted the personality clash between President Chen and Vice President Annette Lu that has resulted in an unhappy relationship. With this experience in mind, Hsieh will wisely choose someone who can help both in winning the election and in governing, she suggested.
- 110. (C) Yeh said that the "Taiwanese identity" being promoted by the DPP is an inclusive concept, meant to include those Taiwanese, Hakka, mainlanders, and aborigines who identify with Taiwan. The Hakka are cohesive and conservative, she noted, adding that they are very proud when they see a Hakka gain a prominent position. Although KMT

Chairman Wu Poh-hsiung, like herself, is a Hakka, he has not done much for the Hakka community, Yeh observed.

Comment

111. (C) Yeh Chu-lan met us at the office-museum that honors her late husband Cheng Nan-jung, who in 1989 incinerated himself rather than allowing the police to arrest him to face charges for publishing Taiwan independence-related material. She said that our next meeting would probably be at Frank Hsieh's new presidential campaign headquarters, an indication that she intends to play an important role in Hsieh's campaign. Yeh appears to be Hsieh's preferred choice for running mate, but President Chen hopes Hsieh will pick former Premier Su Tseng-chang in the interests of restoring party unity following the contentious primary. Hsieh will have to weigh his choice carefully, considering both the need to unify the party and the need to field the strongest possible team in the presidential campaign.